COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF OPERATOR SERVICE AS)
PROPOSED BY US SPRINT COMMUNICATIONS) CASE NO. 10326
COMPANY)

ORDER

On June 16, 1988, US Sprint Communications Company ("US Sprint") filed proposed revisions to its tariff relating to, <u>interalia</u>, the provision of certain operator assisted services. Proposed tariff changes relating to the acceptance of LEC calling cards and third number billing were suspended on July 29, 1988.

In suspending US Sprint's proposed offering of these billing options for operator assisted services, our primary concern related to possible fraudulent billing to Kentucky ratepayers, due to US Sprint's inability to validate local exchange carrier ("LEC") issued calling cards, and US Sprint's inability to control improper third number billing to restricted numbers.

On October 6, 1988, an informal conference was held to discuss the suspended service offerings. The conference was attended by the Commission Staff, representatives of US Sprint, Americall Systems of Louisville, and American Operator Services, Inc. At the informal conference, US Sprint representatives described technical aspects of the proposed operator services offering. US Sprint representatives stated that US Sprint will not bill unvalidated calls to LEC calling cards. Additionally, US

sprint will not engage in third party billing in cases where the billed number cannot be adequately validated through data supplied by the appropriate LEC.

By further tariff revision filed since the informal conference, US Sprint has clarified its policy with respect to billing of charges to calling cards and third numbers. The clarifying language has been added to page 33.3 of US Sprint's KPSC Tariff No. 2.1

Given the assurances provided by US Sprint and supported by clarifying language to US Sprint's proposed tariff, the Commission is of the opinion and FINDS that original Sheet 33.3, Section 5.1.4, proposed as an addition to US Sprint's tariff, should be approved.

BE IT SO ORDERED.

Done at Frankfort, Kentucky, this 14th day of November, 1988.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

ATTEST:

Executive Director

The relevant clarifying language reads, "US Sprint accepts calls billed to a third party or a LEC calling card only if US Sprint can adequately identify the billing number as valid based on information supplied by the LEC . . ."